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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 22nd
day of December, 1994.

In the matter of Ellington Telephone)
Company's modernization plans pursuant)
to 4 CSR 240-32.100.)
CASE NO. TO-95-152

ORDER APPROVING STIPULATION AND AGREEMENT

On November 4, 1994, the Commission established this case for the proceedings concerning Ellington Telephone Company's (Ellington) modernization plans pursuant to 4 CSR 240-32.100.

On November 30, 1994, Ellington, the Staff of the Commission (Staff), and the Office of the Public Counsel (Public Counsel) filed a Stipulation and Agreement (Stipulation) in this matter. The Stipulation (Attachment A to this Order and incorporated herein by reference) states that Ellington agrees to provide, and shall continue to provide, the minimum necessary elements for basic local and interexchange telecommunications service as prescribed in the modernization rule, with the exception of individual line service and equal access by December 31, 1994.

The Stipulation also states that Ellington will send a letter to interexchange carriers informing them of the date Ellington intends to provide equal access, and that Ellington will provide equal access no later than November 1, 1995. The letter is to be sent no later than six months prior to the date Ellington intends to provide equal access. Also, the Stipulation provides that Ellington will provide individual line service to all its customers no later than December 31, 1996. The Stipulation further specifies that Ellington will comply with the requirements of the Federal Communications Commission Report and Order released March 19, 1985,

in CC Docket No. 78-72, Phase III. In addition, the parties agree that if Ellington fulfills the terms of the Stipulation, Ellington will be providing basic service by December 31, 1996. Furthermore, the Stipulation states that the requirement for Ellington to file three, five, and seven-year modernization plans should be waived.

The Commission has reviewed Ellington's filings and the Stipulation in this matter. The Commission finds that Ellington currently provides most elements of basic service, except individual line service and equal access, and that Ellington intends to provide equal access no later than November 1, 1995 and individual line service to all its customers no later than December 31, 1996. The Commission also finds that the provision for Ellington to continue to provide the minimum necessary elements for basic service is beneficial for purposes of protecting the public interest in the future. Furthermore, the fact that Ellington will be providing basic service as required by 4 CSR 240-32.100 within three years of the filing date specified by the modernization rule is good cause for Ellington to be granted a waiver from the requirement to file three, five, and seven-year modernization plans. Thus, the Commission finds that the Stipulation is just and reasonable.

The Commission may approve a stipulation of the issues in a case if it finds that the stipulation is just and reasonable. The Commission has so found and thus determines that the Stipulation in this case should be approved.

IT IS THEREFORE ORDERED:

1. That the Stipulation and Agreement filed in this case (Attachment A) is hereby approved and adopted.
2. That Ellington Telephone Company is hereby granted a waiver of the requirement to file three, five, and seven-year modernization plans pursuant to 4 CSR 240-32.100.

3. That Ellington Telephone Company shall submit a copy of the letter to interexchange carriers required by the Stipulation and Agreement approved in Ordered Paragraph 1 to the Telecommunications Department of the Commission.

4. That Ellington Telephone Company shall submit written notification to the Telecommunications Department of the Commission upon full implementation of equal access and individual line service.

5. That this Order shall become effective on January 3, 1995.

BY THE COMMISSION

A handwritten signature in dark ink, appearing to read "David L. Rauch". The signature is fluid and cursive, with the first name "David" and last name "Rauch" clearly distinguishable.

David L. Rauch
Executive Secretary

(S E A L)

Mueller, Chm., McClure, Perkins,
Kincheloe and Crumpton, CC., Concur.

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI
[DRAFT]**

In the matter of local network	)	
telecommunications companies' modernization	)	Case No. TO-93-309
plans pursuant to 4 CSR 240-32.100.	)	

In the matter of Ellington Telephone	)	
Company's modernization plans pursuant	)	Case No. TO-95-152
to 4 CSR 240-32.100	)	

FILED

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STIPULATION AND AGREEMENTMISSOURI
PUBLIC SERVICE COMMISSION

Based on documentation submitted by Ellington Telephone Company ("the Company"), the signatories--the Office of the Public Counsel ("OPC"), the Staff of the Missouri Public Service Commission ("the Staff") and the Company--agree and stipulate as follows:

1. The Company agrees to provide the minimum necessary elements for basic local and interexchange telecommunications service ("Basic Service"), except for individual line service and equal access, by December 31, 1994 and thereafter.

2. The Company agrees to send a letter to interexchange carriers no later than six months prior to the date the Company intends to provide customers with equal access, indicating such plans. The Company shall provide equal access to its individual line customers by November 1, 1995, or earlier if practicable considering the business conditions in the Company's service area and the Company's capital constraints. In implementing interLATA equal access, the Company shall comply with the requirements of the Federal

Communications Commission Report and Order released March 19, 1985, in CC Docket No. 78-72, Phase III.

3. The Company agrees to provide individual line service to all its customers by December 31, 1996 and thereafter.

4. OPC and the Staff agree that if the Company fulfills the terms of paragraphs 1, 2 and 3, then the Company will provide Basic Service by December 31, 1996.

5. The Staff and the OPC agree that it is not essential for the Company to file three-, five- and seven-year modernization plans as provided by the Modernization Rule.

6. If the Missouri Public Service Commission ("the Commission") accepts the specific terms of this Stipulation and Agreement, the signatories waive their respective rights--

- a. to call, examine or cross-examine witnesses, pursuant to § 536.070(2) RSMo 1986;
- b. to present oral argument and written briefs, pursuant to § 536.080.1 RSMo 1986;
- c. to have the Commission read any transcript resulting from this proceeding, pursuant to § 536.080.2 RSMo 1986; and
- d. to judicial review, pursuant to § 386.510 RSMo 1986.

7. Nothing in this stipulation shall constitute an agreement by the parties as to the reasonableness of the amount or value for ratemaking purposes of any specific planned or completed expenditure made by the Company in providing Basic Service. The Commission may consider, where appropriate, the ratemaking consequences of any such expenditure made or incurred by the Company in providing Basic Service in a subsequent ratemaking proceeding involving the Company.

8. The provisions of this Stipulation and Agreement have resulted from negotiations among the signatories and are interdependent. If the Commission does not approve this Stipulation and Agreement in total, it shall be void and no party shall be bound, prejudiced or in any way affected by any of the agreements or provisions hereof.

9. This Stipulation and Agreement represents a negotiated settlement. Except as specified herein, no party shall be bound, prejudiced or in any way affected by any of the agreements or provisions hereof in any future proceeding, in any proceeding currently pending under a separate docket.

10. At the Commission's request, the Staff may give the Commission a written explanation of its rationale for entering into this Stipulation and Agreement, if the Staff also gives a copy of its explanation to each signatory to this Stipulation and Agreement. In that event, each signatory may give the Commission a responsive written explanation within five (5) business days of receipt of the Staff's explanation, if the responding signatory contemporaneously gives a copy of such responsive written explanation to all other signatories. Each signatory agrees to keep the Staff's and other signatory's explanations confidential, and to treat them as privileged to the same extent as settlement negotiations under the Commission's rules. No signatory acquiesces in or adopts the explanations of another signatory. Such explanations shall not become a part of this proceedings' record, nor bind or prejudice any signatory in any proceeding.

11. The Staff may provide whatever oral explanation the Commission requests at any agenda meeting, if the Commission has given notice that it may consider this Stipulation and Agreement at the meeting. The Staff shall inform the other signatories as soon as

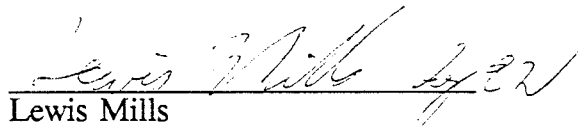
practicable when the Staff learns that the Commission will request such explanation. The Staff's explanation in agenda shall be subject to public disclosure, except to the extent it pertains to matters protected from disclosure.

WHEREFORE, the signatories respectfully request that the Commission issue an order that--

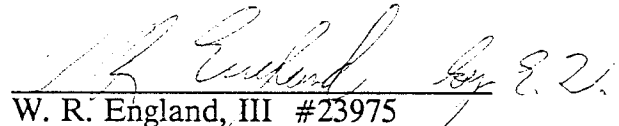
1. approves this Stipulation and Agreement, and
2. waives the requirement that the Company shall file three-, five- and seven-year modernization plans.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL


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ELLINGTON TELEPHONE COMPANY


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